

Message Text

LIMITED OFFICIAL USE

PAGE 01 THE HA 04512 120649Z

11

ACTION EUR-25

INFO OCT-01 ARA-16 IO-15 ISO-00 AID-20 CIAE-00 DODE-00

PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10 PA-03 RSC-01

PRS-01 SPC-03 SS-15 USIA-15 ACDA-19 EB-11 COME-00

TRSE-00 DRC-01 /179 W

----- 083268

R 111621Z OCT 73

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC 2160

INFO AMEMBASSY SANTIAGO

USMISSION EC BRUSSELS

USMISSION NATO BRUSSELS

USMISSION OECD PARIS

USMISSION USUN NEW YORK

LIMITED OFFICIAL USE THE HAGUE 4512

E.L. 11652: N/A

TAGS: EAID, NL

SUBJECT: DUTCH POLICY RE AID TO CHILE

REF: HAGUE 5003 (NOTAL)

SUMMARY: GON HAS FROZEN ALL UNCOMMITTED AID FUNDS ALLOCATED TO CHILE. AID POLICY IS BASED ON GREATER ECONOMIC BENEFITS FOR UNDERPRIVILEGED, AND GON VIEWS PRESENT GOC, ON BASIS OF RECENT ACTIONS, AS OPPOSED TO THAT OBJECTIVE. END SUMMARY.

1. GON INFORMATION SERVICE ISSUED STATEMENT SOON AFTER CHILEAN COUP THAT OUTSTANDING DUTCH DEVELOPMENT AID COMMITMENTS TO CHILE WOULD BE FROZEN FOR TIME BEING AND NO NEW COMMITMENTS WOULD BE MADE, OWING TO UNCERTAINTY WHETHER USE OF DUTCH AID WOULD CONFORM TO AIMS OF GON AID POLICY. LATER STATEMENT BY DEVELOPMENT AID MINISTER PRONK SAID THAT AID TO

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 THE HA 04512 120649Z

CHILE WOULD REMAIN SUSPENDED UNTIL GON WAS CERTAIN THAT IT

WOULD BENEFIT THOSE FOR WHOM IT WAS INTENDED (I.E. THE UNDERPRIVILEGED).

2. POSTHUMUS (MFA, DEVELOPMENT AID) TELLS US THAT RESUMPTION OF AID TO CHILE WILL LARGELY DEPEND ON POLICIES ADOPTED AND ACTIONS TAKEN BY GOC. HE COMPARED CHILE WITH PERU, ALSO MILITARY DICTATORSHIP, WHICH IS TAKING STEPS TO IMPROVE CONDITIONS OF ITS UNDERPRIVILEGED, AND POINTED OUT THAT GON SUPPLIES AID TO PERU. THIS COULD CONCEIVABLY OCCUR IN CHILE. HOWEVER, IN VIEW RECENT DEVELOPMENTS, GON IS QUITE PESSIMISTIC THAT THIS WILL HAPPEN.

3. IN RUNDOWN ON STATUS OF BUDGETED AID, POSTHUMUS STATED THAT 16 MILLION GUILDERS HAD BEEN BUDGETED IN 1971 AND 1972 FOR LOANS TO CHILE, AS REPORTED REFTEL. THIS HAD BEEN earmarked FOR FIVE PROJECTS, OF WHICH FOUR ARE ALREADY COVERED IN CONTRACTS WITH SUPPLIERS. FIFTH CONTRACT AND ADDITIONAL 11 MILLION GUILDERS BUDGETED IN 1973 ARE FROZEN. THE FOUR PROJECTS ALREADY CONTRACTED WILL ALSO BE FROZEN AS FAR AS PRACTICABLE, DEPENDING ON SITUATION IN EACH PROJECT. SAME ACTION BEING TAKEN RE UNALLOCATED FUNDS AND ONGOING PROJECTS COVERED BY FOUR MILLION GUILDERS BUDGETED FOR TECHNICAL ASSISTANCE GRANT (SEE REFTEL).

4. COMMENT: VISIBLE POPULAR AND PARLIAMENTARY REACTION IN NETHERLANDS IS HIGHLY CRITICAL OF GOC ACTIONS FROM COUP TO PRESENT. MEDIA FOCUS ON NEWS OF EXECUTIONS AND ANTI-GOC REPORTS FROM DUTCHMEN RETURNING FROM CHILE. GON OPENLY ESPOUSES BROADER DISTRIBUTION OF INCOME AND ECONOMIC POWER AS OBJECTIVE OF DEVELOPMENT AID, AND LEFTWING MINISTER PRONK BROADENS THAT TO INCLUDE POLITICAL POWER. IN RECENT ADDRESS TO DIPLOMATIC GROUP (HAGUE 4191 NOTAL) PRONK EXPRESSED VIEW THAT POLITICAL NEUTRALITY IN ALLOCATION OF DEVELOPMENT AID IS UNDESIRABLE SINCE IT RESULTS IN SUPPORT OF GOVT IN POWER. IN VIEW OF THESE FACTS, AND ASSUMING CONTINUATION OF PRESENT GOC, WE SEE LITTLE CHANCE OF RESUMPTION OF DUTCH AID TO CHILE ANY TIME SOON.
TANGUY

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 11 OCT 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973THEHA04512
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: THE HAGUE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731036/aaaabart.tel
Line Count: 98
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: HAGUE 5003 (NOTAL)
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 15 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15-Aug-2001 by elyme>; APPROVED <25-Sep-2001 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DUTCH POLICY RE AID TO CHILE
TAGS: EAID, NL
To: SECSTATE WASHDC SANTIAGO EC BRUSSELS NATO BRUSSELS OECD PARIS USUN NEW YORK
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005